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*Attorneys for Plaintiff*

IN THE UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

RYAN WONG, JOHN FORAKER, JOSE BECERRA, BOBBY HUDSON, BRITTANY NELSON, MICHAEL TEGG, ZACHARY WEHE, JONATHAN HAMILTON, JORGE REYES, JEFFREY EASTON, SHALOM BOUGANIM, JOSEPH ATTALLAH, TRAVIS HOLLOWMAN, CLINT WADE, MICHAEL CHON, TANVEER HUSSAIN, VINCENT BURNS, THOMAS PIERSON, KEVIN ILLSLEY, JEREMY HUDSPETH, ZACHARY MUETH, JOSHUA BUSSBERG, RYAN MAY, MICHAEL DAVIS, DOMENICO COSTAGLIOLA, DEMARINE BROWN, KEVIN CUELLAR, PAUL

## CLASS ACTION COMPLAINT

Case No.

**COMPLAINT FOR DECLARATORY  
RELIEF AND DAMAGES FOR:**

- (1) BREACH OF CONTRACT;
- (2) NEGLIGENCE;
- (3) BREACH OF FIDUCIARY DUTY;
- (4) BREACH OF DUTY OF GOOD FAITH AND FAIR DEALING
- (5) BREACH OF EXPRESS AND IMPLIED WARRANTIES

**DEMAND FOR JURY TRIAL.**

1 SCHUSTER, MARC JOSHNSTON,  
2 DAVID AMIRault, JACOB  
3 BRUCE, CHASE WILKINS,  
4 KATRELL GLASS, SHALESSE  
5 HURLEY, KRISTIN FREIR,  
6 CHRISTOPHER VALENTI,  
7 SHAWN ROJAS, BRAD  
8 CARLETON, DIMETRAS GOINS,  
9 PETER NGUYEN, NASSIF DAHER,  
10 PERRY BUTT, JAMES WILLIS,  
11 FELIX ANAMAN, JAYME WEST,  
12 SHAWNEE ANDERSON,  
13 MITCHELL CHEUNG, LAYTH  
14 DIEYLEH, YOUSEF MOHAMED,  
15 CLIFTON BLANKENSHIP, ALEX  
16 BURNS, SHIHAB HOSSEIN,  
17 RAEGAN BALL, CAMPBELL  
18 GAULT, JALEN HARRIS,  
19 RODERICK GORDON, ALIOUNE  
20 DIOP, JAMAL MCCULLUM, ABEL  
21 JAUREGUI, YANTEE TURNER,  
22 HARDI PATEL, CHRISTOPHER  
23 BENSON, GEOFFREY RACETTE,  
24 RUSSELL STEWART, ROBINSON  
25 MONTES, NICHOLAS LUCIER,  
FLOYD MCMILLAN, CONNOR  
REUTH, CARL CARTER,  
CHRISTIAN TOVAR

26 Plaintiff,

27 vs.

28 ROBINHOOD FINANCIAL LLC,  
ROBINHOOD SECURITIES, LLC,  
ROBINHOOD MARKETS, INC.,  
and DOES 1-50,

Defendants.

## **I. PLAINTIFF'S ORIGINAL CLASS ACTION COMPLAINT**

COME NOW the Plaintiffs RYAN WONG, JOHN FORAKER, JOSE BECERRA, BOBBY HUDSON, NELSON BRITTANY, MICHAEL TEGG, ZACHARY WEHE, JONATHAN HAMILTON, JORGE REYES, JEFFREY EASTON, SHALOM BOUGANIM, JOSEPH ATTALLAH, TRAVIS HOLLOWMAN, CLINT WADE, MICHAEL CHON, TANVEER HUSSAIN, VINCENT BURNS, THOMAS PIERSON, KEVIN ILLSLEY, JEREMY HUDSPETH, ZACHARY MUETH, JOSHUA BUSSBERG, RYAN MAY, MICHAEL DAVIS, DOMENICO COSTAGLIOLA, DEMARINE BROWN, KEVIN CUELLAR, PAUL SCHUSTER, MARC JOSHNSTON, DAVID AMIRault, JACOB BRUCE, CHASE WILKINS, KATRELL GLASS, SHALESSE HURLEY, KRISTIN FREIR, CHRISTOPHER VALENTI, SHAWN ROJAS, BRAD CARLETON, DIMETRAS GOINS, PETER NGUYEN, NASSIF DAHER, PERRY BUTT, JAMES WILLIS, FELIX ANAMAN, JAYME WEST, SHAWNEE ANDERSON, MITCHELL CHEUNG, LAYTH DIEYLEH, YOUSEF MOHAMED, CLIFTON BLANKENSHIP, ALEX BURNS, SHIHAB HOSSEIN, RAEGAN BALL, CAMPBELL GAULT, JALEN HARRIS, RODERICK GORDON, ALIOUNE DIOP, JAMAL MCCULLUM, ABEL JAUREGUI, YANTEE TURNER, HARDI PATEL, CHRISTOPHER BENSON, GEOFFREY RACETTE, RUSSELL STEWART, ROBINSON MONTES, NICHOLAS LUCIER, FLOYD MCMILLAN, CONNOR REUTH, CARL CARTER, CHRISTIAN TOVAR file this Complaint seeking judgment against Defendants

1 SECURITIES, LLC, a Delaware corporation; ROBINHOOD MARKETS, INC., a  
2 Delaware corporation, and DOES 1- 50, inclusive, (hereinafter collectively referred to  
3 as “Defendants” or “Robinhood”) for damages resulting from Robinhood’s  
4 purposefully, willfully, and knowingly restricting access to the open markets in publicly  
5 available securities, and thereby depriving retail investors from investing additional  
6 monies into the market through these securities, and openly manipulating the open  
7 market to the detriment of all Plaintiffs and the market at large by restricting purchase—  
8 without universal restrictions across the market by regulators—of this non-exhaustive  
9 list of tickers \$AAL, \$AMC, \$BB, \$BBY, \$CTRM, \$EXPR, \$GME, \$KOSS, \$NAKD,  
10 \$NOK, \$SNDL, \$TR, and \$TRVG (“Restricted Tickers”) and respectfully allege  
11 follows:

16 **II. NATURE OF THE ACTION**

18 1. Robinhood is a multibillion-dollar mobile application and website  
19 investment service that places stock trade orders on behalf of users like Plaintiff and  
20 Class members. Robinhood targets young adults who are new to investing through  
21 youth-forward marketing and a video game-like interface and misleads them into  
22 using Robinhood by promising “commission free” and “discounted” trading services  
23 and assuring them in its Customer Agreements that all of Robinhood’s transactions  
24 will be subject to federal and state securities laws. Robinhood has been wildly  
25 successful, roping in not only young investors but also novice investors of all ages.  
26  
27  
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1       2.     In the early morning hours of January 28, 2021, in the midst of an  
2     unprecedented rise in the per share value of the Restricted Tickers, Robinhood  
3     without providing prior notice to its users or the market at large restricted solely on  
4     its platform the purchase of the Restricted Tickers. Robinhood, did however allow its  
5     users to “close their positions.” Closing positions, given the suffocation of additional  
6     purchases through the Robinhood app would be dubious as the price per share of the  
7     Restricted Tickers plummeted.

8  
9  
10       3.     Robinhood’s claim is that their mission is to “democratize finance for  
11     all.” And that they were restricting transactions for certain securities to position  
12     closing only on the Restricted Tickers. Further, they remain committed to the same  
13     restriction. On January 29, 2021, rather than lift the restrictions in their entirety  
14     Robinhood implemented “capped restrictions.” Robinhood allowed the trades of  
15     Restricted tickers but limited the total number of shares that each account would be  
16     able to hold. They set aggregate limits for each of the Restricted Tickers to the tune  
17     of the following: \$AAL (55 shares), \$AMC (115 shares), \$BB (65 shares), \$BBBY  
18     (30 shares), \$CTRM (1650 shares), \$EXPR (200 shares), \$GME (5 shares), \$KOSS  
19     (25 shares), \$NAKD (750 shares), \$NOK (110 shares), \$SNDL (1200 shares), \$TR  
20     (25 shares), and \$TRVG (400 shares).

21  
22       4.     In the early afternoon on the same day Robinhood again pulled the rug  
23     out from under its account holders by further restricting some of the Restricted  
24     Tickers: \$AMC (25 shares), \$BB (25 shares), \$GME (2 shares), \$KOSS (10

1 shares), \$NAKD (300 shares), and \$NOK (50). Coincidentally, these are the stock  
 2 tickers that were increasing during trading on January 29, 2021.  
 3

4 5. By late afternoon, January 29, 2021, there were reports that Robinhood  
 6 has even further restricted \$AMC (10 shares) and \$GME (1 share). And extended  
 7 restrictions to other retail stocks like \$WKHS without prior notice. Additionally,  
 8 \$WKHS a retail stock that was not a part of the momentous rise of the Restricted  
 9 Tickers was also restricted, and such restriction caused losses. Finally, towards the  
 10 end of the trading day and through the after-hours market, Robinhood restricted many  
 11 of the Restricted Tickers and others to 1 share per account (\$AMC, \$BB, \$BBY,  
 12 \$GME, \$KOSS) and other retail tickers to 5 shares.  
 13

14 6. The conduct of Robinhood and DOES 1-50 violated their obligations  
 15 under relevant federal and state law, including California law. Specifically,  
 16 Robinhood's acts and omissions breached Robinhood's agreements with Plaintiffs and  
 17 Class Plaintiffs, fiduciary duty to Plaintiffs and Class Plaintiffs, committed fraud,  
 18 breaches of express and implied warranties.  
 19

20 **III. JURISDICTION AND VENUE**  
 21

23 7. This Court has original jurisdiction pursuant to the Class Action Fairness  
 24 Act, 28 U.S.C. § 1332(d)(2)(a), because the amount in controversy, exclusive of  
 25 interest and costs, exceeds the sum or value of \$5,000,000.00 and this is a class action  
 26 in which there are numerous Class members who are citizens of states different from  
 27

## Defendants.

8. Pursuant to 28 U.S.C. § 1391, this Court is the proper venue for this action because a substantial part of the events, omissions, and acts giving rise to the claims herein occurred in this District where Robinhood, distributed, marketed, advertised, and sold the trading services which are the subject of the present complaint. Finally, venue is appropriate in this District pursuant to 28 USC § 1391(b)(2) because a substantial part of the acts and omissions that gave rise to this Complaint occurred or emanated from this District.

9. This Court has personal jurisdiction over Robinhood because it is authorized to do business and does conduct business in California, and because it has specifically marketed, advertised, and made substantial sales in California, and has sufficient minimum contacts with this state and/or sufficiently avails itself of the markets of this state through its promotion, sales, and marketing within this state to render the exercise of jurisdiction by this Court permissible.

#### IV. PARTIES

10. Plaintiff Ryan Wong resides in and is a citizen of Downey, California He is an active trader that uses the Robinhood platform to access the markets. On or around January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one or more of the Restricted Tickers. He was unable to do so because of the restrictions put in place by Robinhood.

1       11. Plaintiff Joan Foraker resides in and is a citizen of Clovis, California. She  
2 is an active trader that uses the Robinhood platform to access the markets. On or around  
3 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one or  
4 more of the Restricted Tickers. He was unable to do so because of the restrictions put in  
5 place by Robinhood.  
6

7       12. Plaintiff Jose Becerra resides in and is a citizen of Santa Ana, California.  
8 He is an active trader that uses the Robinhood platform to access the markets. On or around  
9 January 28, 2021, Plaintiff logged into the app for brokerage services to  
10 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
11 restrictions put in place by Robinhood.  
12

13       13. Plaintiff Bobby Hudson resides in and is a citizen of Fresno, California. He  
14 is an active trader that uses the Robinhood platform to access the markets. On or around  
15 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
16 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
17 in place by Robinhood.  
18

19       14. Plaintiff Brittany Nelson resides in and is a citizen of Lilburn, Georgia.  
20 She is an active trader that uses the Robinhood platform to access the markets. On or around  
21 January 28, 2021, Plaintiff logged into the app for brokerage services to  
22 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
23 restrictions put in place by Robinhood.  
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25       15. Plaintiff Michael Tegg resides in and is a citizen of Marquette, Illinois. He  
26

1 is an active trader that uses the Robinhood platform. On or around January 28, 2021,  
2 Plaintiff logged into the app for brokerage services to purchase one or more of the  
3 Restricted Tickers. He was unable to do so because of the restrictions put in place by  
4 Robinhood.

5 16. Plaintiff Zachary Wehe resides in and is a citizen of Parma, Ohio. He is an  
6 active trader that uses the Robinhood platform to access the markets. On or around  
7 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
8 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
9 in place by Robinhood.

10 17. Plaintiff Johnathan Hamilton resides in and is a citizen of Fort Lauderdale,  
11 Florida. He is an active trader that uses the Robinhood platform to access the markets.  
12 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
13 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
14 restrictions put in place by Robinhood.

15 18. Plaintiff Jorge Reyes resides in and is a citizen of Duluth, Georgia. He is  
16 an active trader that uses the Robinhood platform to access the markets. On or around  
17 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
18 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
19 in place by Robinhood.

20 19. Plaintiff Jeffrey Easton resides in and is a citizen of Chicago, Illinois. He is  
21 an active trader that uses the Robinhood platform to access the markets. On or around  
22

1 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
2 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
3 in place by Robinhood.  
4

5 20. Plaintiff Shalom Bouganim resides in and is a citizen of Las Vegas,  
6 Nevada. He is an active trader that uses the Robinhood platform to access the markets.  
7 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
8 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
9 restrictions put in place by Robinhood.  
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12 21. Plaintiff Joseph Attallah resides in and is a citizen of Troy, Michigan. He  
13 is an active trader that uses the Robinhood platform to access the markets. On or around  
14 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
15 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
16 in place by Robinhood.  
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19 22. Plaintiff Travis Holloman resides in and is a citizen of Smithfield, North  
20 Carolina. He is an active trader that uses the Robinhood platform to access the markets.  
21 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
22 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
23 restrictions put in place by Robinhood.  
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26 23. Plaintiff Clint Wade resides in and is a citizen of Huntsville, Texas. He is  
27 an active trader that uses the Robinhood platform to access the markets. On or around  
28 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one

1 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
2 in place by Robinhood.  
3

4 24. Plaintiff Michael Chon resides in and is a citizen of Pittsburgh,  
5 Pennsylvania. He is an active trader that uses the Robinhood platform to access the  
6 markets. On or around January 28, 2021, Plaintiff logged into the app for brokerage  
7 services to purchase one or more of the Restricted Tickers. He was unable to do so  
8 because of the restrictions put in place by Robinhood.  
9

10 25. Plaintiff Tanveer Hussain resides in and is a citizen of Sterling Heights,  
11 Michigan. He is an active trader that uses the Robinhood platform to access the  
12 markets. On or around January 28, 2021, Plaintiff logged into the app for brokerage  
13 services to purchase one or more of the Restricted Tickers. He was unable to do so  
14 because of the restrictions put in place by Robinhood.  
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17 26. Plaintiff Vincent Burns resides in and is a citizen of Baltimore, Maryland.  
18 He is an active trader that uses the Robinhood platform to access the markets. On or  
19 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
20 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
21 restrictions put in place by Robinhood.  
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24 27. Plaintiff Thomas Pierson resides in and is a citizen of Evesham, New  
25 Jersey. He is an active trader that uses the Robinhood platform to access the markets.  
26 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
27 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
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1 restrictions put in place by Robinhood.

2       28. Plaintiff Kevin Illsley resides in and is a citizen of Denver, Colorado. He  
3 is an active trader that uses the Robinhood platform to access the markets. On or around  
4 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
5 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
6 in place by Robinhood.

7       29. Plaintiff Jeremy Hudspeth resides in and is a citizen of Homewood,  
8 Indiana. He is an active trader that uses the Robinhood platform to access the markets.  
9 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
10 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
11 restrictions put in place by Robinhood.

12       30. Plaintiff Zachary Mueth resides in and is a citizen of Madison, Wisconsin.  
13 He is an active trader that uses the Robinhood platform to access the markets. On or  
14 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
15 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
16 restrictions put in place by Robinhood.

17       31. Plaintiff Joshua Bussberg resides in and is a citizen of Noblesville,  
18 Indiana. He is an active trader that uses the Robinhood platform to access the markets.  
19 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
20 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
21 restrictions put in place by Robinhood.

1       32. Plaintiff Ryan May resides in and is a citizen of Washington, District of  
2 Columbia. He is an active trader that uses the Robinhood platform to access the  
3 markets. On or around January 28, 2021, Plaintiff logged into the app for brokerage  
4 services to purchase one or more of the Restricted Tickers. He was unable to do so  
5 because of the restrictions put in place by Robinhood.  
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7       33. Plaintiff Michael Davis resides in and is a citizen of Brooklyn,  
8 Connecticut. He is an active trader that uses the Robinhood platform to access the  
9 markets. On or around January 28, 2021, Plaintiff logged into the app for brokerage  
10 services to purchase one or more of the Restricted Tickers. He was unable to do so  
11 because of the restrictions put in place by Robinhood.  
12

13       34. Plaintiff Domenico Costagliola resides in and is a citizen of Summerville,  
14 South Carolina. He is an active trader that uses the Robinhood platform to access the  
15 markets. On or around January 28, 2021, Plaintiff logged into the app for brokerage  
16 services to purchase one or more of the Restricted Tickers. He was unable to do so  
17 because of the restrictions put in place by Robinhood.  
18

19       35. Plaintiff Demarine Brown resides in and is a citizen of Mobile, Alabama.  
20 He is an active trader that uses the Robinhood platform to access the markets. On or  
21 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
22 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
23 restrictions put in place by Robinhood.  
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25       36. Plaintiff Kevin Cuellar resides in and is a citizen of Coriscana, Texas. He  
26

1 is an active trader that uses the Robinhood platform to access the markets. On or around  
2 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
3 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
4 in place by Robinhood.

5 37. Plaintiff Paull Schuster resides in and is a citizen of Lewes, Delaware. He  
6 is an active trader that uses the Robinhood platform to access the markets. On or around  
7 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
8 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
9 in place by Robinhood.

10 38. Plaintiff Marc Johnston resides in and is a citizen of San Antonio, Texas.  
11 He is an active trader that uses the Robinhood platform to access the markets. On or  
12 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
13 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
14 restrictions put in place by Robinhood.

15 39. Plaintiff David Amirault resides in and is a citizen of Springfield,  
16 Missouri. He is an active trader that uses the Robinhood platform to access the markets.  
17 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
18 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
19 restrictions put in place by Robinhood.

20 40. Plaintiff Bruce Jacob resides in and is a citizen of Independence, Missouri.  
21 He is an active trader that uses the Robinhood platform to access the markets. On or  
22

1 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
2 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
3 restrictions put in place by Robinhood.  
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5 41. Plaintiff Chase Wilkins resides in and is a citizen of Greensburg,  
6 Pennsylvania. He is an active trader that uses the Robinhood platform to access the  
7 markets. On or around January 28, 2021, Plaintiff logged into the app for brokerage  
8 services to purchase one or more of the Restricted Tickers. He was unable to do so  
9 because of the restrictions put in place by Robinhood.  
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12 42. Plaintiff Katrell Glass resides in and is a citizen of Braintree, Massachusetts.  
13 He is an active trader that uses the Robinhood platform to access the markets. On or  
14 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
15 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
16 restrictions put in place by Robinhood.  
17  
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19 43. Plaintiff Shalesse Hurley resides in and is a citizen of Brooklyn, New  
20 York. She is an active trader that uses the Robinhood platform to access the markets.  
21 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
22 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
23 restrictions put in place by Robinhood.  
24  
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26 44. Plaintiff Kristin Freier resides in and is a citizen of Reno, Nevada. She is  
27 an active trader that uses the Robinhood platform to access the markets. On or around  
28 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one

1 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
2 in place by Robinhood.  
3

4 45. Plaintiff Christopher Valenti resides in and is a citizen of Brooklyn, New  
5 York. He is an active trader that uses the Robinhood platform to access the markets. On  
6 or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
7 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
8 restrictions put in place by Robinhood.  
9

10 46. Plaintiff Shawn Rojas resides in and is a citizen of Bayonne, New Jersey.  
11 He is an active trader that uses the Robinhood platform to access the markets. On or  
12 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
13 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
14 restrictions put in place by Robinhood.  
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17 47. Plaintiff Brad Carleton resides in and is a citizen of Spring Lake, North  
18 Carolina. He is an active trader that uses the Robinhood platform to access the markets.  
19 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
20 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
21 restrictions put in place by Robinhood.  
22  
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24 48. Plaintiff Dimetras Goins resides in and is a citizen of Lansing, Michigan.  
25 He is an active trader that uses the Robinhood platform to access the markets. On or  
26 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
27 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
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1 restrictions put in place by Robinhood.

2       49. Plaintiff Peter Nguyen resides in and is a citizen of Myrtle Beach, South  
3 Carolina. He is an active trader that uses the Robinhood platform to access the markets.  
4 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
5 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
6 restrictions put in place by Robinhood.  
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9       50. Plaintiff Nassif Daher resides in and is a citizen of Canton, Michigan. He  
10 is an active trader that uses the Robinhood platform to access the markets. On or around  
11 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
12 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
13 in place by Robinhood.  
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16       51. Plaintiff Perry Butt resides in and is a citizen of St. Cloud, Florida. He is  
17 an active trader that uses the Robinhood platform to access the markets. On or around  
18 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
19 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
20 in place by Robinhood.  
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23       52. Plaintiff James Willis resides in and is a citizen of Crozet, Virginia. He is  
24 an active trader that uses the Robinhood platform to access the markets. On or around  
25 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
26 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
27 in place by Robinhood.  
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1       53. Plaintiff Felix Anaman resides in and is a citizen of Crozet, Virginia. He is  
2 an active trader that uses the Robinhood platform to access the markets. On or around  
3 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
4 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
5 in place by Robinhood.

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7       54. Plaintiff Jayme West resides in and is a citizen of Tremont, Illinois. He is  
8 an active trader that uses the Robinhood platform to access the markets. On or around  
9 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
10 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
11 in place by Robinhood.

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13       55. Plaintiff Shawnee Anderson resides in and is a citizen of Eagle Point,  
14 Oregon. He is an active trader that uses the Robinhood platform to access the markets.  
15 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
16 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
17 restrictions put in place by Robinhood.

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19       56. Plaintiff Mitchell Cheung resides in and is a citizen of Staten Island, New  
20 York. He is an active trader that uses the Robinhood platform to access the markets. On  
21 or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
22 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
23 restrictions put in place by Robinhood.

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25       57. Plaintiff Layth Dieyleh resides in and is a citizen of Greenwood Village,

1 Colorado. He is an active trader that uses the Robinhood platform to access the markets.  
2 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
3 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
4 restrictions put in place by Robinhood.  
5

6 58. Plaintiff Yousef Mohamen resides in and is a citizen of Staten Island, New  
7 York. He is an active trader that uses the Robinhood platform to access the markets. On  
8 or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
9 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
10 restrictions put in place by Robinhood.  
11  
12

13 59. Plaintiff Clifton Blankenship resides in and is a citizen of Peabody,  
14 Massachusetts. He is an active trader that uses the Robinhood platform to access the  
15 markets. On or around January 28, 2021, Plaintiff logged into the app for brokerage  
16 services to purchase one or more of the Restricted Tickers. He was unable to do so  
17 because of the restrictions put in place by Robinhood.  
18  
19

20 60. Plaintiff Jose Becerra resides in and is a citizen of Santa Ana, California.  
21 He is an active trader that uses the Robinhood platform to access the markets. On or  
22 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
23 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
24 restrictions put in place by Robinhood.  
25  
26

27 61. Plaintiff Alex Burns resides in and is a citizen of Oak Park, Illinois. He is  
28 an active trader that uses the Robinhood platform to access the markets. On or around

1 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
2 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
3 in place by Robinhood.  
4

5 62. Plaintiff Md Shihab Hossein resides in and is a citizen of Brooklyn, New  
6 York. He is an active trader that uses the Robinhood platform to access the markets. On  
7 or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
8 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
9 restrictions put in place by Robinhood.  
10  
11

12 63. Plaintiff Raegan Ball resides in and is a citizen of Evansville, Indiana. He  
13 is an active trader that uses the Robinhood platform to access the markets. On or around  
14 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
15 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
16 in place by Robinhood.  
17  
18

19 64. Plaintiff Campbell Gault resides in and is a citizen of Bonita Springs,  
20 Florida. He is an active trader that uses the Robinhood platform to access the markets.  
21 On or around January 28, 2021, Plaintiff logged into the app for brokerage services to  
22 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
23 restrictions put in place by Robinhood.  
24  
25

26 65. Plaintiff Jalen Harris resides in and is a citizen of Galesburg, Illinois. He is  
27 an active trader that uses the Robinhood platform to access the markets. On or around  
28 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one

1 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
2 in place by Robinhood.  
3

4 66. Plaintiff Roderick Gordon resides in and is a citizen of Orlando, Florida.  
5 He is an active trader that uses the Robinhood platform to access the markets. On or  
6 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
7 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
8 restrictions put in place by Robinhood.  
9

10 67. Plaintiff Alioune Diop resides in and is a citizen of Bronx, New York. He  
11 is an active trader that uses the Robinhood platform to access the markets. On or around  
12 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
13 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
14 in place by Robinhood.  
15

16 68. Plaintiff Jamal McCullum resides in and is a citizen of Southgate,  
17 Michigan. He is an active trader that uses the Robinhood platform to access the  
18 markets. On or around January 28, 2021, Plaintiff logged into the app for brokerage  
19 services to purchase one or more of the Restricted Tickers. He was unable to do so  
20 because of the restrictions put in place by Robinhood.  
21

22 69. Plaintiff Abel Jauregui resides in and is a citizen of Tempe, Arizona. He is  
23 an active trader that uses the Robinhood platform to access the markets. On or around  
24 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
25 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
26  
27

1 in place by Robinhood.

2 70. Plaintiff Yantee Turner resides in and is a citizen of Hinesville, Georgia.  
3 He is an active trader that uses the Robinhood platform to access the markets. On or  
4 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
5 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
6 restrictions put in place by Robinhood.  
7  
8

9 71. Plaintiff Hardi Patel resides in and is a citizen of Des Plaines, Illinois. He  
10 is an active trader that uses the Robinhood platform to access the markets. On or around  
11 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
12 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
13 in place by Robinhood.  
14  
15

16 72. Plaintiff Christopher Benson resides in and is a citizen of Cincinnati, Ohio.  
17 He is an active trader that uses the Robinhood platform to access the markets. On or  
18 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
19 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
20 restrictions put in place by Robinhood.  
21  
22

23 73. Plaintiff Geoffrey Racette resides in and is a citizen of Savage, Minnesota.  
24 He is an active trader that uses the Robinhood platform to access the markets. On or  
25 around January 28, 2021, Plaintiff logged into the app for brokerage services to  
26 purchase one or more of the Restricted Tickers. He was unable to do so because of the  
27 restrictions put in place by Robinhood.  
28

1       74. Plaintiff Russell Stewart resides in and is a citizen of Murphy, Texas. He is  
2 an active trader that uses the Robinhood platform to access the markets. On or around  
3 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
4 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
5 in place by Robinhood.  
6

7       75. Plaintiff Robinson Montes resides in and is a citizen of Bronx, New York.  
8 He is an active trader that uses the Robinhood platform to access the markets. On or around  
9 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one or more of the Restricted Tickers. He was unable to do so because of the  
10 restrictions put in place by Robinhood.  
11

12       76. Plaintiff Nicholas Lucier resides in and is a citizen of Oxford,  
13 Massachusetts. He is an active trader that uses the Robinhood platform to access the  
14 markets. On or around January 28, 2021, Plaintiff logged into the app for brokerage  
15 services to purchase one or more of the Restricted Tickers. He was unable to do so  
16 because of the restrictions put in place by Robinhood.  
17

18       77. Plaintiff Floyd McMillan resides in and is a citizen of Flaxville, Montana.  
19 He is an active trader that uses the Robinhood platform to access the markets. On or around  
20 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one or more of the Restricted Tickers. He was unable to do so because of the  
21 restrictions put in place by Robinhood.  
22

23       78. Plaintiff Conner Reuth resides in and is a citizen of La Pine, Oregon. He is  
24

1 an active trader that uses the Robinhood platform to access the markets. On or around  
2 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one  
3 or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
4 in place by Robinhood.

5 79. Plaintiff Carl Carter resides in and is a citizen of Kansas City, Missouri.  
6 He is an active trader that uses the Robinhood platform to access the markets. On or around  
7 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
8 in place by Robinhood.

9 80. Plaintiff Christian Tovar resides in and is a citizen of Boise, Idaho. He is  
10 an active trader that uses the Robinhood platform to access the markets. On or around  
11 January 28, 2021, Plaintiff logged into the app for brokerage services to purchase one or more of the Restricted Tickers. He was unable to do so because of the restrictions put  
12 in place by Robinhood.

13 81. Defendant Robinhood Markets, Inc. is a financial service holding  
14 company incorporated in Delaware with its principal place of business located at 85  
15 Willow Road, Menlo Park, CA 94025. It is the holding company for Defendants  
16 Robinhood Financial LLC and Robinhood Securities, LLC. Defendant Robinhood  
17 Markets, Inc. is a named party to the Robinhood Terms & Conditions Agreement  
18 governing Robinhood's website and mobile applications. Defendant Robinhood  
19 Markets, Inc. facilitated, participated in, and communicated the acts and omissions to

1 Plaintiff and Class Members that caused the harm.

2       82. Defendant Robinhood Financial LLC is a full-service securities firm  
3 incorporated in Delaware with its principal place of business located at 85 Willow  
4 Road, Menlo Park, CA 94025. Defendant Robinhood Financial LLC is a wholly  
5 owned subsidiary of Defendant Robinhood Markets, Inc., and an affiliate of  
6 Defendant Robinhood Securities, LLC. It is an “introducing” broker-dealer, offering  
7 brokerage services to retail investors and allowing customers to open online accounts  
8 and electronically deposit funds. It is a named party to the Robinhood Terms &  
9 Conditions Agreement governing Robinhood’s website and mobile applications. It is  
10 also a party to the Robinhood Customer Agreements, governing the purchase, sale, or  
11 carrying of securities or contracts relating thereto and/or the borrowing of funds.  
12 Defendant Robinhood Financial LLC facilitated, participated in, and communicated  
13 to the Plaintiffs and Class Members the acts and omissions that led to the harm  
14 alleged herein.

15       83. Defendant Robinhood Securities, LLC is a full-service securities firm  
16 incorporated in Delaware with its principal place of business located at 85 Willow  
17 Road, Menlo Park, CA 94025. It is a wholly owned subsidiary of Defendant  
18 Robinhood Markets, Inc., and an affiliate of Defendant Robinhood Financial LLC.  
19 Once a customer creates an account with Robinhood Financial LLC, Defendant  
20 Robinhood Securities is the custodian of customers’ funds and the securities customers  
21 purchase. It services customer accounts; executes, clears, and settles customer trades;

1 prepares and distributes customer account statements and trade confirmations; and  
2 extends credit to customer margin accounts. It is a party to the Robinhood Customer  
3 Agreements governing the purchase, sale, or carrying of securities or contracts  
4 relating thereto and/or the borrowing of funds, which transactions are cleared through  
5 it. Defendant Robinhood Securities, LLC facilitated, participated in, and  
6 communicated the acts and omissions that led to the harm alleged herein to Plaintiffs  
7 and Class members herein.

84. At all times herein mentioned, there existed a unity of interest, and  
activity in furtherance of that interest, among Robinhood and other Defendants such  
that any individuality and separateness among them has ceased, and these Defendants  
are the alter egos of each other with respect to operations.

85. The true names and capacities of those defendants designated as DOES 1-50,  
whether individual, corporate, association or otherwise, are unknown to Plaintiffs and  
Class Members at the time of filing this Complaint and Plaintiffs, therefore, sue said  
defendants by such fictitious names and will ask leave of Court to amend this  
Complaint to show their true names or capacities when the same have been  
ascertained. Plaintiffs are informed and believe, and thereon allege, that each of the  
DOE defendants is, in some manner, responsible for the events and happenings herein  
set forth and proximately and/or directly caused injury and damages to Plaintiffs as  
herein alleged.

## **V.FACTUAL ALLEGATIONS**

86. Robinhood is an online brokerage firm that states its mission is to “to democratize finance for all. We believe that everyone should have access to the financial markets, so we’ve built Robinhood from the ground up to make investing friendly, approachable, and understandable for newcomers and experts alike.”<sup>1</sup> Robinhood provides access to the markets: equities, options, and crypto currencies using its web based, or smartphone-based applications.

87. As a part of its populist-based marketing and mission, Robinhood's official Twitter posted, "Let the people trade."

88. As a part of the suite of services that Robinhood provides, it facilitates buy and sell orders of securities as a broker-dealer. Robinhood also facilitates the purchase of option contracts (“options”).

89. Robinhood has experienced significant growth as a relatively new online brokerage firm. In 2019, Robinhood raised \$323 million in funding at a \$7.6 billion valuation. The firm markets itself primarily to younger investors and claims over 10 million users of its trading platform.

90. On or around January 11, 2021, the stock for GameStop Corp., ("GME") began to rise. At that time, Robinhood allowed retail investors access to the same

<sup>1</sup> <https://robinhood.com/us/en/support/articles/our-mission/>

1 without restriction.

2 91. On or around January 26, 2021, the stocks for AMC Entertainment  
3 holdings, Inc., ("\$AMC") began to rise.

4 92. On or around January 26, 2021, the stocks for Nokia Corporation  
5 ("\$NOK") began to rise.

6 93. On or around January 26, 2021, the stocks for Naked Brand Group Ltd.,  
7 ("\$NAKD") began to rise.

8 94. On or around January 26, 2021, the stocks for Blackberry Ltd., ("\$BB")  
9 began to rise.

10 95. On or around January 26, 2021, the stocks for Express, Inc., ("\$EXPR")  
11 began to rise.

12 96. On or around January 26, 2021, the stocks for Express, Inc., ("\$SNDL")  
13 began to rise.

14 97. \$GME continued to rise.

15 98. Upon information and belief, unbeknownst to Robinhood users and the  
16 market at large, Robinhood unilaterally removed tickers from its trading platform.

17 99. This meant that retail investors could no longer purchase the rising  
18 tickers, or even search for them. Robinhood did this without providing notice to its  
19 users, or the market at large.

20 100. Upon information and belief, Robinhood's actions were done

1 purposefully and knowingly to manipulate the market for the benefit of large  
2 investors and financial intuitions who were not Robinhood's customers, or retail  
3 traders.  
4

5 101. These unilateral and unannounced acts did several things: 1) it locked  
6 Robinhood users into positions as the prices of these shares began to free fall; 2) It  
7 prevented Robinhood users for purchasing more shares at lower prices to average  
8 down their costs bases; 3) It prevented Robinhood users from shorting the stocks; and  
9 it deprived the market for a large percentage of the retail market buying power  
10 causing all positions to free fall.  
11  
12

13 102. All of Robinhood's acts were intentional and caused harm. In sum,  
14 Robinhood has completely blocked retailer investors from purchasing Restricted  
15 Tickers for no legitimate reason, thereby depriving retailer investors from the benefits  
16 of Robinhood's services in giving access to the market.  
17  
18

19 103. Additionally, for many users as their money was tied up with Robinhood  
20 they could not withdraw and simply trade positions on the day.  
21  
22

23 104. The Financial Industry Regulatory Authority ("FINRA"), which governs  
24 brokers like Robinhood, espouses rule 5310 regarding "Best Execution and  
25 Interpositioning." Rule 5310.01 requires that Robinhood "must make every effort to  
26 execute a marketable customer order that it receives promptly and fully." By failing  
27 to respond at all to customers' placing timely trades—and outright blocking  
28 customers from trading a security—Robinhood has breached these, among other,

1 obligations and caused its customers substantial losses due solely to its own  
2 negligence and failure to maintain adequate infrastructure.  
3

4 105. On January 28, 2021, it was announced that Robinhood secured an  
5 additional billion dollars in funding.<sup>2</sup>  
6

7 **VI. CLASS ACTION ALLEGATIONS**  
8

9 106. Plaintiffs seek relief on behalf of themselves and as a representative of  
10 all others who are similarly situated. Pursuant to Fed. R. Civ. P. Rules 23(a) and  
11 (b)(3), Plaintiffs seek certification of a Nationwide class defined as follows:  
12

13 **VII. ALL PERSONS WHO USED ROBINHOOD'S BROKERAGE**  
14 **SERVICES BETWEEN JANUARY 20, 2021 AND THE END OF**  
15 **THE RESTRICTION PERIOD ON THE RESTRICTED**  
16 **TICKERS. (THE "ROBINHOOD CLASS").**  
17

18 107. Plaintiff seeks relief on behalf of themselves and as a representative of  
19 all others who are similarly situated. Pursuant to Fed. R. Civ. P. Rules 23(a) and  
20 (b)(3), Plaintiffs seek certification of a Nationwide subclass defined as follows:  
21  
22  
23  
24  
25  
26

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27 <sup>2</sup> <https://www.nytimes.com/2021/01/29/technology/robinhood-fundraising.html>  
28

1                   **VIII. ALL PERSONS WHO HELD SHARES OF THE**  
2                   **RESTRICTED TICKERS IN THEIR BROKERAGE ACCOUNTS**  
3                   **BETWEEN JANUARY 28, 2020 AND THE END OF SUCH**  
4                   **RESTRICTIONS AND SOLD SHARES OF THE RESTRICTED**  
5                   **TICKERS AT A LOSS. (THE “LOSS OF VALUE CLASS”).**

7                   108. Plaintiffs seek relief on behalf of themselves and as a representative of  
8                   all others who are similarly situated. Pursuant to Fed. R. Civ. P. Rules 23(a) and  
9                   (b)(3), Plaintiff seeks certification of a Nationwide subclass defined as follows:

11                   **IX. ALL PERSONS WHO HELD SHARES OF THE RESTRICTED**  
12                   **TICKERS IN THEIR BROKERAGE ACCOUNTS BETWEEN**  
13                   **JANUARY 28, 2020 AND THE END OF SUCH RESTRICTIONS**  
14                   **AND SOUGHT TO PURCHASE ADDITIONAL SHARES OF THE**  
15                   **RESTRICTED TICKERS. (THE “LOSS OF ADDITIONAL**  
16                   **INVESTMENT VALUE CLASS”).**

18                   109. Plaintiffs seek relief on behalf of themselves and as a representative of  
19                   all others who are similarly situated. Pursuant to Fed. R. Civ. P. Rules 23(a) and  
20                   (b)(3), Plaintiffs seek certification of a Nationwide subclass defined as follows:

22                   **X. ALL PERSONS WHO USED ROBINHOOD’S BROKERAGE**  
23                   **SERVICES BETWEEN JANUARY 20, 2021 AND THE END OF**  
24                   **THE RESTRICTION PERIOD ON THE RESTRICTED TICKERS**  
25                   **THAT HELD SHARES AND SOLD AT A LOSS. (THE “SOLD AT**  
26                   **LOSS CLASS”).**

28                   110. Additionally, or in the alternative, Plaintiffs seek relief on behalf of

1 himself and as a representative of all others who are similarly situated. Pursuant to  
2 Fed. R. Civ. P. Rules 23(a) and (b)(3), Plaintiffs seek certification of a Class defined  
3 as follows:

4 **XI. ALL ROBINHOOD CUSTOMERS WITHIN THE STATE OF**  
5 **CALIFORNIA (“CALIFORNIA CLASS”).**

6 111. Additionally, or in the alternative, Plaintiffs seek relief on behalf of  
7 themselves and as a representative of all others who are similarly situated. Pursuant to  
8 Fed. R. Civ. P. Rules 23(a) and (b)(3), Plaintiff seeks certification of a Class defined as  
9 follows:

10 **XII. ALL ROBINHOOD CUSTOMERS WITHIN THE STATE OF**  
11 **CALIFORNIA WHO WERE NOT ABLE TO EXECUTE TRADES**  
12 **ON THE RESTRICTED TICKERS AND OTHER SECURITIES**  
13 **AFTER ROBINHOOD KNOWINGLY, WILLFULLY, AND**  
14 **PURPOSEFULLY REMOVED COMPLETELY FROM THEIR**  
15 **PLATFORM (“CALIFORNIA LOSS CLASS”).**

16 112. Excluded from the Classes are Robinhood and any of its affiliates,  
17 parents, or subsidiaries; all persons who make a timely election to be excluded from  
18 the Class; government entities; and the judges to whom this case is assigned, their  
19 immediate families, and court staff.

20 113. Plaintiffs hereby reserve the right to amend or modify the Class  
21 definitions with greater specificity or division after having had an opportunity to  
22

1 conduct discovery. The proposed Classes meet the criteria for certification under  
2 Rules 23(a) and (b)(3).  
3

4 **114. Numerosity:** The precise number of members of the proposed Class is  
5 unknown to Plaintiff at this time, but, based on information and belief, Class  
6 members are so numerous that their individual joinder herein is impracticable. Based  
7 on information and belief and publicly available reports, Class members number in  
8 the hundreds of thousands and up to ten million. Subclass members are likely in the  
9 thousands. All Class and Subclass members may be notified of the pendency of this  
10 action by reference to Robinhood's records, or by other alternative means.  
11

13 **115. Commonality:** Numerous questions of law or fact are common to the  
14 claims of Plaintiff and members of the proposed Class. These common questions of  
15 law and fact exist as to all Class members and predominate over questions affecting  
16 only individual Class members. These common legal and factual questions include,  
17 but are not limited to the following:  
18

- 20 a. Did Robinhood knowingly fail to provide the financial services it agreed  
21 to with its users that were needed to handle reasonable consumer  
22 demand, including trading securities that are available on every other  
competitive trading platform?
- 23 b. Did Robinhood fail to provide the duty of care to its customers when it  
24 purposefully, and without prior notice, removed \$GME, \$BB, \$AMC,  
25 \$SNDL, \$NOK, \$NAKD and others?
- 26 c. Did Robinhood remove \$GME, \$BB, \$AMC, \$SNDL, \$NOK, \$NAKD  
27 and others to pass harm and risk purposefully and intentionally from  
their industry partners to its own customers' positions in the Restricted

1 Tickers and benefit itself and its industry partners financial gains?

2

3 d. Did Robinhood violate FINRA Rule 5310, among other FINRA rules,  
4 state rules, and federal regulations?

5

6 e. Did Robinhood violate consumer protection laws by failing to disclose  
7 that its services would not include the ability to trade on \$GME, \$BB,  
8 \$SNDL, \$NOK, \$NAKD, and other tickers, for substantial periods of  
9 time?

10

11 f. Did Robinhood breach its legal, regulatory, and licensing requirements  
12 by failing to provide adequate access to financial services?

13

14 g. Did Robinhood breach its contracts and/or the implied covenant of good  
15 faith and fair dealing in connection with its failure to provide financial  
16 services as described herein?

17

18 h. Was Robinhood negligent or grossly negligent by failing to provide  
19 financial services in a timely manner due to its own possible nefarious  
20 desires, or the desires of industry partners?

21

22 i. Did Robinhood breach its fiduciary duties to its customers by failing to  
23 provide adequate access to financial services as promised?

24

25 j. Was Robinhood unjustly enriched by its conduct?

26

27 k. Were Plaintiffs and the other Class members injured by Robinhood's  
28 conduct, and if so, the appropriate class-wide measure of damages,  
restitution, and other appropriate relief, including injunctive relief?

l. Whether Plaintiff and the other Class members are entitled to injunctive  
and declaratory relief.

116. **Typicality:** The claims of the named Plaintiff are typical of the claims of

1 the proposed Class in that the named Plaintiff was a customer during the class period  
2 and was unable to trade the Restricted Tickers and place time-sensitive trades on  
3 \$GME, \$BB, \$AMC, \$SNDL, \$NOK, \$BBBY, \$KOSS, \$NAKD, and others and  
4 sustained damages as a result of Robinhood's wrongful conduct.

5       **117. Adequate Representation:** Plaintiffs will fairly and adequately  
6 represent the interests of the Class in that he has no conflicts with any other Class  
7 members. Plaintiffs have retained competent counsel experienced in prosecuting  
8 complex class actions, including those involving financial services, and they will  
9 vigorously litigate this class action.

10       **118. Predominance and Superiority:** There is no plain, speedy, or adequate  
11 remedy other than by maintenance of a class action. A class action is superior to other  
12 available means, if any, for the fair and efficient adjudication of this controversy.  
13 Prosecution of separate actions by individual Class members would create the risk of  
14 inconsistent or varying adjudications, establishing incompatible standards of conduct  
15 for the Defendant. Additionally, given the relatively modest damages sustained by  
16 most individual members, few, if any, proposed Class members could or would sustain  
17 the economic burden of pursuing individual remedies for Robinhood's wrongful  
18 conduct. Treatment as a class action will achieve substantial economies of time,  
19 effort, and expense, and provide comprehensive and uniform supervision by a  
20 single court. This class action presents no material difficulties in management.

21       **119.** Class action certification is warranted under Fed. R. Civ P. 23(b)(1)(A)

1 because the prosecution of separate actions by individual members of the proposed  
2 Class would create a risk of inconsistent or varying adjudications with respect to  
3 individual Class members, which may produce incompatible standards of conduct for  
4 Defendants.

5 120. Class action certification is warranted under Fed. R. Civ P. 23(b)(1)(B)  
6 because the prosecution of separate actions by individual members of the proposed  
7 Class would create a risk of adjudications with respect to individual Class members  
8 which may, as a practical matter, be dispositive of the interests of the other members  
9 not parties to the adjudications or substantially impair or impede their ability to  
10 protect their interests.

11 121. The prerequisites to maintaining a class action for injunctive or equitable  
12 relief pursuant to Fed. R. Civ. P. 23(b)(2) are met as Robinhood has acted or refused  
13 to act on grounds generally applicable to the Class, thereby making final injunctive,  
14 declaratory, or equitable relief appropriate with respect to the Class as a whole.

15 122. Class action certification is also warranted under Fed. R. Civ P. 23(b)(3)  
16 because questions of law or fact common to the Class members predominate over any  
17 questions affecting only individual members, and a Class action is superior to other  
18 available remedies for the fair and efficient adjudication of this controversy. The  
19 amount of damages available to the individual Plaintiff is insufficient to make  
20 litigation addressing Robinhood's conduct economically feasible for most in the  
21 absence of the class action procedure. Individualized litigation also presents a  
22  
23  
24  
25  
26  
27  
28

1 potential for inconsistent or contradictory judgments and increases the delay and  
2 expense to all parties and the court system presented by the legal and factual issues of  
3 the case. By contrast, the class action device presents far fewer management  
4 difficulties and provides the benefits of a single adjudication, economy of scale, and  
5 comprehensive supervision by a single court.  
6

7 123. Class action certification is also warranted under Fed. R. Civ P. 23(c)(4)  
8 because questions of law or fact common to the Class members may be certified and  
9 decided by this Court on a class wide basis.  
10

### 12 **XIII. CAUSE OF ACTION – BREACH OF CONTRACT** 13

14 124. Plaintiff incorporates the preceding paragraphs by reference as if set  
15 forth fully in this section, namely paragraphs 1 to 68.  
16

17 125. To use the Robinhood platform, a potential customer must enter into the  
18 Customer Agreement with Robinhood.  
19

20 126. Plaintiffs and all putative Class Members entered into a Customer  
21 Agreement with Robinhood.  
22

23 127. Robinhood breached the Agreement by failing to not only provide  
24 advance notice of removal of heavily traded and highly profitable stock tickers and  
25 implementing the strictest restrictions on the same. Robinhood breached its Customer  
26 Agreement by, among other things, failing to disclose that its platform was going to  
27 randomly pull profitable stocks from its platform at a time they were most profitable;  
28

1 and that Robinhood failed to provide an adequate explanation to their customers; and  
2 that Robinhood knowingly put their customers at a disadvantage compared to  
3 customers who used other trading apps; and that Robinhood failed to provide access  
4 to its own financial incentives to pull the Restricted Tickers including \$GME, \$BB,  
5 \$AMC, \$SNDL, \$NAKD AND \$NOK among others; that Robinhood's actions were  
6 a direct breach of the Agreement by failing to perform in a timely manner (or at all)  
7 under the contract; and that Robinhood failed to comply with all applicable legal,  
8 regulatory, and licensing requirements; and that Robinhood failed to exercise trades  
9 and actions requested by customers.

10 128. Robinhood breached its Customer Agreement with Plaintiffs and class  
11 members as a result of the aforementioned actions.

12 129. Robinhood's failure to perform and its breaches of the Customer  
13 Agreement resulted in damages and losses to Plaintiff and Class members and  
14 continues to expose them to harm because Robinhood continues to fail to perform  
15 under the Customer Agreement. These losses reflect damages to Plaintiff and Class  
16 members in an amount to be determined at trial or separate proceedings, as necessary.

17 23 **XIV. CAUSE OF ACTION – NEGLIGENCE**

18 24 130. Plaintiff incorporates the preceding paragraphs by reference as if set  
19 forth fully in this section, namely paragraphs 1 to 74.

20 27 131. Robinhood had a duty to exercise reasonable care to not manipulate the  
21 28

1 market.  
2

3 132. Robinhood had a duty to exercise reasonable care in conducting and  
4 facilitating transactions for its customers in the open market.  
5

6 133. Robinhood breached its duties by removing the Restricted Tickers from  
7 its trading platform without prior notice to its users or to the market at large. The  
8 removal of the Restricted Tickers not only harmed Plaintiffs and its Class Member  
9 users, but also harmed those that held shares of the Restricted Tickers in the market at  
10 large.  
11

12 134. Robinhood essentially abandoned its customers, and in so doing, caused  
13 a market effect that drove the price of the Restricted Tickers down and caused  
14 Plaintiffs and Class members to suffer damages.  
15

16 135. Robinhood showed a wanton and reckless disregard for the effect its  
17 actions would have on the Plaintiffs, Class Members, and open market. Moreover,  
18 Robinhood did not undertake these actions due to “market volatility” as it later  
19 claimed, as these Restricted Tickers were continually traded save a few “halts” by the  
20 actual exchanges.  
21

22 136. Robinhood’s negligence and gross negligence, harmed Plaintiffs, Class  
23 Members, and market participants by forcing them to incur significant losses in the  
24 marketplace by first removing the Restricted Tickers on January 28, 2021 from the  
25 trading platform without notice, and later imposing excessive and unwarranted  
26 restrictions on the tickers that in some instances changed, again without notice, from  
27  
28

1 allowing the trading of 115 \$AMC shares in the morning to 1 \$AMC share in the late  
2 afternoon on January 29, 2021 and as a result the price decreased.  
3  
4

5 **XV. CAUSE OF ACTION - BREACH OF FIDUCIARY DUTY**

6  
7 137. Plaintiff incorporates the preceding paragraphs by reference as if set  
8 forth fully in this section, namely paragraphs 1 to 81.  
9

10 138. As a licensed provider of financial services, Robinhood at all times  
11 relevant herein was a fiduciary to Plaintiff and Class members and owed them the  
12 highest good faith and integrity in performing its financial services on their behalf.  
13 Robinhood also acted as a fiduciary to each and every customer who agreed to the  
14 Customer Agreement.  
15

16 139. Robinhood breached its fiduciary duties to Plaintiff and Class members  
17 by, among other things, failing to disclose that its platform was going to remove  
18

19 \$GME, \$BB, \$AMC, \$SNDL, \$NOK, \$NAKD, \$WKHS and other  
20 purchases in a timely manner; actually removing \$GME, \$BB, \$AMC, \$SNDL,  
21 \$NOK, \$BBBY, \$KOSS, \$NAKD and others; removing \$GME, \$BB, \$AMC,  
22 \$SNDL, \$NOK, \$BBBY, \$KOSS, \$NAKD and others for its own pecuniary benefits;  
23 that Robinhood failed to provide access to its financial services in a timely manner;  
24 that Robinhood failed to comply with all applicable legal, regulatory, and licensing  
25 requirements; and that Robinhood failed to exercise trades and actions requested by  
26  
27  
28

1 customers in a complete and timely manner (also required by FINRA Rule 5310).  
2

3 140. Robinhood's conduct has caused Plaintiff and Class members' harm,  
4 losses, and damages and continues to expose them to harm because Robinhood  
5 continues to breach its fiduciary duties. These losses reflect damages to Plaintiff and  
6 Class members in an amount to be determined at trial or separate proceedings, as  
7 necessary.  
8

9 **XVI. CAUSE OF ACTION - BREACH OF**  
10 **DUTY OF GOOD FAITH AND FAIR**  
11 **DEALING**  
12

13 141. Plaintiff incorporates the preceding paragraphs by reference as if set  
14 forth fully in this section, namely paragraphs 1 to 85.  
15

16 142. Plaintiffs and members of the Class and Subclass entered into the  
17 Customer Agreement with Defendant Robinhood to open a Robinhood trading  
18 account. They agreed to Robinhood's Terms and Conditions by using Robinhood's  
19 website and trading platform.  
20

21 143. Plaintiffs and members of the Class and Subclass fulfilled their  
22 obligations under these contracts by adhering to their terms and using Robinhood's  
23 trading services through its website and trading platform.  
24

25 144. Robinhood was obligated to provide the trading services required under  
26 those contracts at all times, including but not limited to, trades for \$GME, \$BB,  
27 \$AMC, \$SNDL, \$NOK, \$KOSS, \$NAKD, and later \$WKHS and others.  
28

1       145. When initially signing up for Robinhood, Plaintiff and all those similarly  
2 situated could and most actually did trade \$GME, \$BB, \$AMC, \$SNDL, \$NOK,  
3 \$KOSS, \$NAKD, and later \$WKHS and others.  
4

5       146. Robinhood unfairly interfered with the rights of Plaintiffs and members  
6 of the Class and Subclasses to receive the benefits of the Customer Agreement by,  
7 among other things, (i) failing to provide services necessary to carry out a trade; (ii)  
8 failing to provide certain trading services whatsoever; (iii) failing to inform  
9 individuals in a timely member of the drastic changes in trading abilities; and (iv)  
10 prohibiting plaintiffs from buying GME for Robinhood's own pecuniary interest and  
11 not disclosing those interest to Plaintiffs and all Class and Subclasses members.  
12

13       147. Robinhood's conduct has caused Plaintiffs and members of the Class and  
14 Subclass harm, losses, and damages. These losses reflect damages to Plaintiffs and  
15 members of the Class and Subclass in an amount to be determined at trial or separate  
16 proceedings, as necessary.  
17

18       **20       XVII.BREACH OF EXPRESS AND IMPLIED WARRANTIES**

21       22       148. Plaintiff incorporates the preceding paragraphs by reference as if set  
23 forth fully in this section, namely paragraphs 1 to 92.  
24

25       26       149. Robinhood warranted that their trading platform would provide access to  
27 the stock market, and that by using it, its users would be able to buy and sell shares.  
28

29       150. On January 28 & 29 of 2021, Robinhood breached those warranties by  
30

1 preventing and prohibiting its users to buy shares in the Restricted Tickers.  
2 Meanwhile the rest of the market was able to buy, short sell, and trade those  
3 securities.  
4

5 151. As a direct result of Robinhood's breaches, Plaintiffs and Class Members  
6 were harmed and sustained damages.  
7

8 **XVIII. RELIEF REQUESTED**  
9

10 WHEREFORE each Plaintiffs and Class Members pray for judgment against  
11 Robinhood and, as appropriate to each cause of action alleged and as appropriate to the  
12 standing of Plaintiffs, as follows:  
13

14

- 15 1. Immediate injunction requiring Robinhood to reinstatement of all the  
16 retail tickers in question on their trading platform;
- 17 2. An award for Plaintiffs and Class Members' damages;
- 18 3. An award for attorney's fees and costs;
- 19 4. Punitive or exemplary damages according to proof; and
- 20 5. prejudgment interest;
- 21 6. post-judgment interest;
- 22 7. for such other and further relief as this Court may deem just and proper.

23  
24 Dated: January 27, 2023.

25  
26 Respectfully submitted,  
27  
28

Wendy Mitchell

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**DEMAND FOR JURY TRIAL**

1 Plaintiff demands trial by jury on all issues which may be tried by a jury.  
2

3 Napoli Shkolnik PLLC  
4

5 Dated: January 27, 2023.  
6

7   
8 Wendy A. Mitchell (CA SBN 158553)  
9 Attorneys for Plaintiff  
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